REMARKS

Claims 1-11 and 13-46 are pending on this application. 1-11 and 13-46 as follows:

(1) claims 1-8, 24-29 and 44 are rejected under 35 USC § 103(a) as being unpatentable over Lane et al. in view of Anderson;

(2) claims 32-34 are rejected under 35 USC § 103(a) as being unpatentable over Wolfberg et al. in view of Anderson;

(3) claims 9-11, 13-17, 19-21, 23, 45 and 46 are rejected under 35 USC § 103(a) as being unpatentable over Lane et al. in view of Halley et al.;

(4) claim 18 and 22 are rejected under 35 USC § 103(a) as being unpatentable over Lane et al. in view of Halley et al. and further in view of Lewellen;

(5) claims 30 and 31 are rejected under 35 USC § 103(a) as being unpatentable over Halley et al. in view of Lane et al. and further in view of Halloran et al.; and

(6) claims 35-43 are rejected under 35 USC § 103(a) as being unpatentable over Lane et al. in view of Wolfberg.

(1)   Rejection of Claims 1-8, 24-29 and 44 under 35 USC § 103(a) as being unpatentable over Lane et al. in view of Anderson

Independent claim 1 includes the following limitations:

> 1.   A method for modeling an investment fund mix to produce a projected guaranteed accumulation investment amount for a user over a predetermined time period equal to at least a preselected guaranteed accumulated investment amount selected by the user comprising the steps of:
> designating funds for investment to produce the fund mix;
> comparing a diversification guideline to the fund mix;
> completing an information file for the user;
> determining a pattern of investments to meet the preselected guaranteed amount;
> applying the diversification guideline to the information file to determine whether the information file meets the guideline;

automatically calculating the projected guaranteed amount; and
comparing the projected guaranteed amount to the preselected guaranteed
accumulated investment amount.

Pursuant to the undersigned's previous response, referring to claim 1, the undersigned maintains

that Lane et al. fail to teach or suggest at least the following limitations:

- a preselected guaranteed accumulated investment amount selected by the user

- comparing a diversification guideline to the fund mix

The undersigned has attempted to find these teachings within the Lane reference as identified by

the Office, but fails to see how page 101, lines 9-10 teach "a preselected guaranteed accumulated

investment amount selected by the user" or how page 103, line 5-page 104, line 24, and Table 2

teach or suggest "comparing a diversification guideline to the fund mix." Importantly, while the

undersigned agrees that Lane is describing a method for maximizing return on investments, this

is not the same as modeling a portfolio to meet or exceed a user-selected investment amount

within certain time periods. The latter model involves different risk and diversification

requirements.

Additionally, the undersigned agrees with the Office's statement that "Lane does not

explicitly discloses [sp?] determining a pattern of investments to meet the preselected guaranteed

amount and applying the diversification guideline to the information file to determine whether

the information files meets the guideline."

In order to establish a *prima facie* case of obviousness and maintain a rejection under

35 USC 103(a), three basic criteria must be met:

(1)   there must be some suggestion or motivation, either in the [prior art] references
        themselves or in the knowledge generally available to one of ordinary
        skill in the art, to modify the reference or to combine reference teachings;

(2)   there must be a reasonable expectation of success; and

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      (3)   the prior art reference (or references when combined) must teach or suggest all the claim limitations.

(See MPEP 2142). Further, the teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). As a threshold test, the prior art references must indeed qualify as prior art. More particularly, "[b]efore answering *Graham's* 'content' inquiry, it must be known whether a patent or publication is in the prior art under 35 U.S.C. § 102." *Panduit Corp. v.Dennison Mfg. Co.,* 810 F.2d 1561, 1568, 1 USPQ2d 1593, 1597 (Fed. Cir.), *cert. denied,* 481 U.S. 1052 (1987). In this case, the priority date of the present application is March 18, 1997 (US Provisional Application No. 60/041,394), which antedates the Anderson reference filed January 21, 1998.[1] Accordingly, the Anderson reference is not available as a reference. Since both the Office and the undersigned agree that Lane fails to teach or suggest all of the limitations of claim 1, the undersigned submits that claim 1 and its dependents, claims 2-5 are patentable over Lane.

Independent claim 6 includes the following limitations:

6.   A method for identifying a fund mix producing a projected accumulation investment amount exceeding a preselected amount for a user comprising the steps of:
        inputting a time period for producing the maximum accumulation investment amount;
        inputting a probability of the projected accumulation investment amount exceeding the preselected amount;
        automatically searching predetermined probability distributions for potential funds for the fund mix;

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[1] **MPEP 2136.05** "The filing date can also be antedated by applicant's earlier foreign priority application or provisional application if 35 U.S.C. 119 is met and the foreign application or provisional application "supports" (conforms to 35 U.S.C. 112, first paragraph, requirements) all the claims of the U.S. application. *In re Gosteli*, 872 F.2d 1008, 10 USPQ2d 1614 (Fed. Cir. 1989)."

          automatically listing a plurality of potential funds by projected accumulation investment amount produced using the predetermined probability distributions for the potential funds;

          comparing a diversification guideline to the plurality of potential funds; and

          automatically combining a plurality of potential fund meeting the diversification guideline to produce an optimum fund mix that will produce a projected accumulation investment amount exceeding the preselected amount.

As with claim 1 and the reasons stated above, Lane fails to teach or suggest at least:

- a preselected amount for a user

- comparing a diversification guideline to the plurality of potential funds

- automatically combining a plurality of potential fund meeting the diversification guideline to produce an optimum fund mix that will produce a projected accumulation investment amount exceeding the preselected amount

Additionally, the undersigned agrees with the Office's statement that Lane "does not explicitly disclose automatically searching predetermined probability distributions for potential funds for the fund mix." As stated above with regard to claim 1, Anderson is not available as reference. Accordingly, the undersigned submits that claim 6 and its dependents, claims 7 and 8 are patentable over Lane.

Independent claim 24 includes the following limitations:

24.   A method for modeling a fixed retirement income amount for a user over a predetermined time period after a preselected delay period comprising the steps of:

        a.   inputting an issue commission of zero percent, a best estimate for treasury security yields, and a plurality of additional basis point spreads;

        b.   automatically applying an annuity calculator to produce a current projected fixed retirement income amount; and

        c.   automatically repeating steps a and b for a range of treasury security yields and for each of the plurality of additional basis point spreads.

Referring to claim 24, Lane et al fail to teach or suggest at least the following limitations:

- modeling a fixed retirement income amount for a user over a predetermined time period after a preselected delay period

- inputting an issue commission of zero percent

The Office has provided no reference point within the Lane reference for the assertion that "modeling a fixed retirement income amount for a user over a predetermined time period after a preselected delay period" is taught or suggested by the reference. Further, the Office references only another claim (claim 15) of the application for the limitation "inputting an issue commission of zero percent." This is not evidence of a *prima facie* case of unpatentability. Additionally, the undersigned agrees with the Office's statement that Lane "does not explicitly disclose automatically applying an annuity calculator to produce a current projected fixed retirement income amount." As Anderson is not available as a reference, the undersigned submits that claim 24 and its dependents, claims 25 and 26 are patentable over Lane.

Independent claim 27 includes the following limitations:

27.   A method for pricing fund charges for an investment fund equal to at least a preselected guaranteed accumulation investment amount over a predetermined time period selected by a user comprising the steps of:
        creating a plurality of information sets corresponding to a plurality of potential users;
        automatically projecting a plurality of monthly charges for producing a plurality of projected guaranteed accumulation investment amounts for each of the plurality of information sets;
        automatically deducting and accumulating the plurality of monthly charges;
        for each of the plurality of projected guaranteed accumulation investment amounts, automatically adding the accumulated monthly charge and subtracting the projected guaranteed accumulation investment amount to produce a probability distribution providing a range of net values; and
        selecting one from the plurality of monthly charges that produces zero value for the probability and distribution produced.

As discussed above with respect to other claims, Lane fails to teach or suggest:

- a preselected guaranteed accumulation investment amount over a predetermined time period selected by a user

- creating a plurality of information sets corresponding to a plurality of potential users

- automatically projecting a plurality of monthly charges

- automatically deducting and accumulating the plurality of monthly charges

- automatically adding the accumulated monthly charge and subtracting the projected guaranteed accumulation investment amount to produce a probability distribution providing a range of net values

- selecting one from the plurality of monthly charges that produces zero value for the probability and distribution produced

The undersigned has attempted to follow the Office's rejection with respect to the Lane reference, but, for example, fails to see how, for example, any language in Tables 2 and 3, which deal with security yield projections, describe "creating a plurality of information sets corresponding to a plurality of potential users" or Table 7 describes monthly charges and the numerous limitations associated therewith from claims 27. Additionally, the undersigned agrees with the Office's assertion that Lane "does not explicitly disclose automatically projecting a plurality of monthly charges for producing a plurality of projected guaranteed accumulation investment amounts for each of the plurality of information sets." The Office has failed to establish a *prima facie* case of unpatentability. Accordingly, the undersigned submits that claim 27 and its dependents, claims 28 and 29 are patentable over Lane.

Independent claim 44 includes the following limitations:

44.   A method for determining a reserve for an investment fund mix producing a guaranteed accumulation investment amount for a plurality of users over a predetermined time period, wherein the investment fund mix includes a plurality

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of selected funds, each of the plurality of selected funds having a value,
comprising the steps of:

automatically identifying for each of the plurality of users each of the
plurality of selected funds for which the value of the selected fund is less than the
guaranteed accumulation investment amount;

automatically summing the difference between each of the plurality of
selected funs for which the value of the selected fund is less than the guaranteed
accumulation investment amount for each of the plurality of users to produce a
total difference; and

automatically increasing the total difference by a reserve factor.

Referring to claim 44, the undersigned continues to submit that Lane et al fail to teach or

suggest at least the following limitations:

- determining a reserve for an investment fund mix producing a guaranteed accumulation

  investment amount for a plurality of users over a predetermined time period

- automatically identifying for each of the plurality of users each of the plurality of

  selected funds for which the value of the selected fund is less than the guaranteed

  accumulation investment amount

- automatically summing the difference between each of the plurality of selected funs for

  which the value of the selected fund is less than the guaranteed accumulation investment

  amount for each of the plurality of users to produce a total difference

- automatically increasing the total difference by a reserve factor

The Office references Table 6 of Lane as teaching, "automatically identifying for each of the

plurality of users each of the plurality of selected funds for which the value of the selected fund is

less than the guaranteed accumulation investment amount" and "automatically increasing the

total difference by a reserve factor." The undersigned fails to understand the Office's reasoning

with respect to these limitations and Table 6. Table 6 describes contingency trading strategies

based on interest rates. The claim limitations describe, *inter alia*, identifying fund values that are less than a guaranteed accumulation investment amount and increasing fund value difference by a reserve factor. Further, the Office states, "Lane does not explicitly disclose automatically summing the difference between each of the plurality of selected funs for which the value of the selected fund is less than the guaranteed accumulation investment amount for each of the plurality of users to produce a total difference." The Office appears to cite to Anderson for the teaching of this limitation. Anderson is not available as a reference as discussed previously. Accordingly, the undersigned submits that the Office has not established a *prima face* case of unpatentability and that claim 44 is allowable over Lane.

(2)   Rejection of Claims 32-34 under 35 USC § 103(a) as being unpatentable over Wolfberg et al. in view of Anderson

Independent claim 32 is presented as follows:

> 32.   A method for combining electronic fund reports for a client for a plurality of funds and a plurality of transactions for the plurality of funds wherein each of the plurality of funds has an amount, comprising the steps of:
>   automatically determining whether all of the plurality of funds have reported;
>   automatically matching the plurality of transactions to the plurality of funds;
>   determining whether diversification guidelines are met for the plurality of funds and plurality of transactions;
>   automatically generating withdrawal and deposit instructions for the plurality of funds; and
>   automatically determining whether the total contributions exceed a predetermined amount.

Wolfberg et al. fail to teach or suggest at least "determining whether diversification guidelines are met for the plurality of funds and plurality of transactions." On page 9 of the Office Action, the Office directs the undersigned to Col. 3, lines 4-41 and Col. 33, lines 51-55, implying that

"means for updating the investment" and "target" teach this limitation. The undersigned fails to

see the word "target" in lines 51-55 of Col. 33 and fails to follow the Office's argument. Further,

the Office states, "Wolfberg does not explicitly disclose automatically determining whether the

total contributions exceed a predetermined amount." The Office applies Anderson as teaching

this limitation. Anderson is not available as a reference as discussed previously. Accordingly,

the undersigned submits that the Office has not established a *prima face* case of unpatentability

and that claims 32-24 are allowable over Wolfberg.

(3)   Rejection of Claims 9-11, 13-17, 19-21, 23, 45 and 46 in View of Lane et al. and Halley et al. under 35 USC 103

Claim 9 as amended reads as follows:

> 9.   A method for projecting an accumulated investment amount for a portfolio
> having a plurality of funds over a preselected time period for a user, comprising
> the steps of:
>   inputting initial and periodic contributions and fund allocations for the
> plurality of funds;
>   completing a projection method parameters file in which various
> parameters are identified, including parameters set by the user based upon
> investment goals selected by the user;
>   automatically calculating the time needed to process a projection of the
> accumulated investment amount for the portfolio having the plurality of funds;
> and
>   automatically performing [[a]] the projection of the accumulated
> investment amount for the portfolio having the plurality of funds.

Contrary to the Office's assertions, Lane combined with Halley, fail to teach or suggest the

limitations of claim 9. More particularly, there is no teaching or suggestion of

"automatically calculating the time needed to process a projection of the accumulated

investment amount for the portfolio having the plurality of funds." The Office appears to

confuse this limitation with teachings in Lane regarding the forecasted returns, e.g., 5 year

yields, etc. This limitation is directed to the amount of time that the system of the present

invention will take to determine these projections and the projected investment amount for

the portfolio. Lane clearly does not make these time determinations and certainly does not do

so automatically. The undersigned notes that the current Office Action fails to address this

limitation in any capacity and thus the Office has failed to establish a *prima facie* case of

unpatentability. The undersigned respectfully submits that independent claim 9 and

dependent claims 10, 11, 13-23, 45 and 46 are allowable over the cited art.

(4)   Rejection of Claims 18 and 22 in View of Lane et al., Halley et al. and Lewellen under 35 USC 103

Claim 9, upon which claims 18 and 22 depend, is submitted to be allowable for the

reasons set forth above. Accordingly, claims 18 and 22 are believe to be allowable for these

reasons as well. Arguments are reserved with respect to the dependent claims.

(5)   Rejection of Claims 30 and 31 in View of Halley et al., Lane et al. and Halloran et al. under 35 USC 103

Independent claim 30 includes the following limitations:

> 30.   A method for processing a selected guaranteed accumulation investment
> amount for a user over a predetermined time period equal to at least a preselected
> guaranteed accumulated investment amount selected by the user comprising the
> steps of:
>> inputting a plurality of funds each of the plurality of funds having a value;
>> automatically generating a fund guarantee statement;
>> automatically generating a probability distribution of projected
> accumulation amounts;
>> automatically deducting a charge on a periodic basis; and
>> automatically generating an electronic fund report.

None of the references cited teach or suggest a guaranteed accumulation investment amount

or the generation of a fund guarantee statement. The cited references at most teach processes

for calculating approximate rates of return on a portfolio and predicting profit maximizing

activities --- the references do not guarantee pre-selected, accumulation investment amounts

selected by the user. A forecast is not a guarantee, and in fact, the use of the word "forecast"

suggests that there is no guarantee, i.e., that the projected yields are merely indicated as likely

to occur.[2] Accordingly, claims 30 and 31 are believed to be allowable over the cited art.

(6)   Rejection of Claims 35-43 in View of Lane et al. and Wolfberg et al. under 35 USC 103

Independent claims 35 includes the following limitations:

35.   A method for processing for a user a guaranteed accumulation investment
amount for a plurality of variable annuities with a fixed retirement income
guaranteed amount having a maturation date comprising the steps of:
        inputting user specific data;
        automatically generating a proposal for a guaranteed minimum benefit
rider;
        automatically generating a contract data page;
        automatically issuing a contract with a guaranteed minimum income
benefit rider;
        automatically deducting a daily cost charge;
        receiving transactions for the account;
        comparing a variable annuity diversification guideline to the received
transactions for the account;
        automatically generating withdrawal and deposit instructions for the
received transactions;
        automatically determining whether the total contributions exceed a
predetermined amount;
        automatically determining the guaranteed accumulation investment
amount; and
        automatically periodically transmitting information about the account to
the user.

Neither Lane nor Wolfberg teach or suggest at least:

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[2] See "The New Merriam-Webster Dictionary" (Copyright 1989).

- a guaranteed accumulation investment amount

- automatically generating a proposal for a guaranteed minimum benefit rider

- automatically issuing a contract with a guaranteed minimum income benefit rider

- automatically deducting a daily cost charge

- comparing a variable annuity diversification guideline to the received transactions for
  the account

The undersigned has attempted to follow the Office's rejection with respect to the Lane
reference, but, for example, fails to see how the following paragraph from Wolfberg et al.
(Col. 23, lines 55-66; see page 26 of Non-final Office Action) cited by the office teaches or
suggests "automatically issuing a contract with a guaranteed minimum income benefit rider" as
proposed by the Office:

> Turning now to the flowcharts shown in FIGS. 11-15, FIG. 11 shows the
> PROCESS SERVICE REQUESTS routine which is depicted at block 212 in the
> software element subsystem diagram shown in FIG. 7. After the PROCESS
> SERVICE REQUESTS routine is entered (300), the client account number and
> account ID is read from the operator terminal 9 shown in FIG. 1. These account
> numbers and ID numbers are obtained by the operator from the client who is
> attempting to make a transaction (302). Thereafter, the client account file is
> retrieved from disk and the client ID number is retrieved from the ID file (304).

The other arguments presented by the Office are similarly vague and off point. Accordingly
claim 35 is believed to be allowable over the cited art. Further, claims 36-43 are also
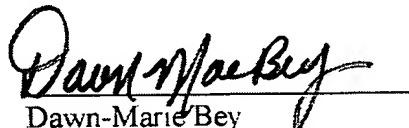allowable as they contain the limitations of claim 35 on which they depend.

CONCLUSION

For the reasons set forth herein, the undersigned submits that the claims are allowable

over the cited art and respectfully requests a notice of allowance to this effect. Should the

Office feel that contacting undersigned will expedite prosecution, please do not hesitate to do

so at the number provided below.

Respectfully submitted,

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